GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:2638
ANSWERED ON:04.12.2007
PRODUCTION OF PAPER
Singh Shri Prabhunath

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether there is any gap between the demand and supply of various types of paper in the country during each of the last three years including the current year, till date;

(b) if so, the details thereof; (

(c) the total capacity of paper production in small, medium and large paper mills in the country during the above period, mill-wise;

(d) whether these mills are facing shortage of raw material such as bamboo and wood for the production of paper due to environment clearance including cellulosic raw material; and

(e) the steps taken by the Government to meet the demand of paper and raw material for the mills ?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI ASHWANI KUMAR)

(a) &(b) : The demand and supply of Paper, Paper Board and Newsprint during the last three years is as under :-

(in million tons)			
Item of Manufacture	2004-05	2005-06	2006-07
Paper & Paper Board			
Demand	5.72	5.88	6.14
Supply	5.79	5.89	6.15
Gap	+0.07	+0.01	+0.01
Newsprint			
Demand	1.44	1.58	1.82
Supply	0.76	0.91	1.03
#Gap	-0.68	-0.67	-0.79

#The above gap in newsprint is met through imports.
(Source CMIE)

(c): The Paper Industry is broadly classified into following three segments:-
$ Mills using wood & bamboo pulp (large mills)
$ Mills using agro-residue pulp (Medium mills)
$ Mills using recycled fibre pulp (Small mills)

The production of paper & paper board and newsprint in these segments during last three years is given below :-

(in million tons)			
Year	Wood and bamboo based	Agro residue based	Recycled fibre based
2004-05	2.34	1.95	2.21
2005-06	2.31	1.96	2.53
2006-07	2.15	2.29	2.72

{Source: CMIE}

(d): Yes, Sir. The paper mills are facing shortage of raw material such as bamboo and wood for paper production.

(e): The steps taken by the Government to meet the demand of paper and raw material include rationalization of duty structure for import of papermaking raw materials, viz., wood chips, pulp and recycled fibre, zero duty on import of pulp for manufacture of newsprint and facilitation of industrial wood production on farm lands and waste lands.